M/049/011 P8. P/C

From:

Beth Ericksen Marit Sawyer

To: Date:

05/29/2008 2:38 PM

Subject:

RE: Your friendly annoying consultant here ...

Marit,

Part 1, yes, you're sending what we're expecting. Per our conversation, you'll send a second copy that we'll stamp approved and return to the operator.

Part 2, Per our conversation, you will request the graymont Fingers amendment, appendix C, to have a look at a good surety estimation. Ms. Berry from the PIC may call you as I gave her your number and email address. If you end up requiring a meeting, please check in a few days in advance if possible. My schedule is getting filled quickly.

If you need additional information, just let me know.

Beth

Beth Ericksen Engineer State of Utah Department of Natural Resources Division of Oil, Gas, and Mining

contact information: ph: 801 538 5318

email: bethericksen@utah.gov Secretary: 801 538 5291

>>> "Marit Sawyer" <msawyer@jbrenv.com> 05/29/2008 9:57 AM >>> Hi, Beth,

Part 1 Comment: We definitely want the spreadsheet that reflects the 497400 bond incorporated into the plan immediately (no extension).

Response: I sent a completed Amendment form (MR-REV) and the bond calcs supporting the \$497,400.00 with one of the emails I sent you yesterday. This form advises DOGM to remove the \$301K bond calc worksheet and add the \$497K worksheet. That form and the bond calcs are also in the US mail today. ***Please confirm if this addresses your comment adequately***.

Part 2 Comment: The plan amendment showing some specifics is the next step. If you need a meeting about that, then let's talk.

Response: I think JBR and I (me?) are now on board with your request for more info on the bond calcs. The new/current DOGM style is similar to the level of detail WDEQ required in Wyo., where I worked for 9 years. The concept of accounting for all - I mean all - reclamation costs and backing up those costs with current quotes is the same.

What will immediately tell me if we'll be on the right track with the Pelican submittal, in terms of the bond, is if you have any feed back for other submittals JBR's recently made for other projects. These have significantly more detail than previous submittals. This would include Earth Energy Resources and Oil Shale Exploration Company (OSEC) for two. If you have any feedback on the bond analysis used in the MOST RECENT submittals from those companies that would be great. Note that I might have to share this info with Geneva so don't divulge any of those company's secrets!

A meeting may be in store - The complete NOI revision is just about ready to send in - except they want to add a few more acres to the disturbance, so more lands may need to be cleared for arch, and the Rec Plan map may need to be revised to show additional mined-out areas. Geneva needs to firm up its plans on these details. We ought to know by next week if a meeting is in the offing.

Marit

----Original Message----

From: Beth Ericksen [mailto:bethericksen@utah.gov]

Sent: Thursday, May 29, 2008 9:25 AM

To: Marit Sawyer

Subject: Re: Your friendly annoying consultant here ...

Marit,

We definitely want the spreadsheet that reflects the 497400 bond incorporated into the plan immediately (no extension). Part two, the plan amendment showing some specifics is the next step. If you need a meeting about that, then let's talk. Now that this bond amount discrepancy is resolved, I am back on board, since the research has been done. So from what I can tell, you're submitting the form mrrev with the surety worksheet to replace the 301K worksheet is that correct? If so, then that meets the initial requirements of the April 16 letter. Now it's on to part two and creating a plan with more detail, substance, and sense. Again, if you need a meeting, we can schedule so that you can move forward in the most efficient effective manner possible. Please advise what time frame you anticipate to do part two.

Thanks, Beth

Beth Ericksen
Engineer
State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining

contact information: ph: 801 538 5318

email: <u>bethericksen@utah.gov</u> Secretary: 801 538 5291 >>> Susan White 05/29/2008 8:58 AM >>> Hi Marit,

I read you're e-mail to Beth yesterday in the car driving back from a mine. She said that having the spreadsheet with the new amount was what was needed. But now the NOI needs to be updated with the correct information. If you need an extension I don't think a few days is a problem.

I can give you feed back on the Palladon Maps. Tom is the lead on that mine and should be discussing with you but he is out. So I can look them over.

Susan

Susan M. White Minerals Program Manager Division of Oil, Gas and Mining 1594 West North Temple Salt Lake City, UT 84114 (801)538-5258 (801)359-3940 fax

>>> "Marit Sawyer" <<u>msawyer@jbrenv.com</u>> 5/29/08 8:21 AM >>> Hi, Susan,

Hope you had a pleasant few days off, and that they were vacation-like and not stressful. Back to the fray -

Any chance you would be able to look at, or have someone look at, Palladon Iron Corp.'s submittal to give preliminary feedback on the maps? It will be to you electronically by noon today.

Also, would you be able to look at the email I sent yesterday afternoon at 3:08 pm, "Updated" version, about the Geneva Pelican Point bond? I have not worked on finalizing the NOI for tomorrow's deadline because I am confident that email answers DOGM concerns. However, I'd sleep better tonight if I knew where DOGM stands on the situation.

Thanks!

Marit Sawyer

Marit Sawyer

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